

Indiana House of Representatives

News and Information

*Media Office
Democratic Caucus
John Schorg, Director
Statehouse, Room 157
Indianapolis, Indiana 46204
1-800-382-9842 or 1-317-232-9621
Fax Number: 1-317-232-9792*

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STEVENSON'S LOCAL GOVERNMENT BIENNIAL BUDGET LEGISLATION PASSED OUT OF COMMITTEE

INDIANAPOLIS – The House Local Government Committee passed State Rep. Dan Stevenson's (D-Highland) local government biennial budget legislation on Wednesday.

House Bill 1629 would give political subdivisions the opportunity to use a budget covering two years instead of having an annual budget, which can be a costly and ineffective use of time and resources, especially for larger cities.

Gary Mayor Scott King initially proposed this legislation to Stevenson, who agreed that cities like Gary need to have the option for a biennial budget to save money, time, and energy.

"By the time an annual budget is completed, it's often already time to start thinking about the next year's budget and that's not an efficient way to do things," said Stevenson. "I agree with Mayor King that if the state government can run on a biennial budget, then local governments should have the option to work on that same schedule."

By allowing local governments to go to the biennial system, Stevenson said they will have the opportunity to review the effects the previous budget had on the economy before having to decide how to allocate funds for the next budget.

"This is especially important when new projects and programs are introduced," he noted. "It is often not clear if the project will last up until the next year or how much money it might need in the future, so going to a biennial plan would provide more time to assess projects and their financial needs."

Stevenson also points out that this bill would merely provide an option for local governments and is not mandatory. Each community will have to assess whether it would be beneficial to implement a two-year plan rather than using the traditional annual budget.

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